

ND PUBLIC EMPLOYEES RETIREMENT SYSTEM
INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2008

	May-08				April-08				March-08				December-07				September-07				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Month	Market Value	Allocation	Actual	Month	Market Value	Allocation	Actual	Quarter	Market Value	Allocation	Actual	Quarter	Market Value	Allocation	Actual	Quarter	Net ROR	Net ROR	Net ROR	Net ROR
LARGE CAP DOMESTIC EQUITY																								
Structured Growth																								
LA Capital	81,474,023	4.3%	4.2%	4.82%	77,428,641	4.1%	4.2%	5.46%	73,410,326	4.0%	4.2%	-10.03%	78,118,500	4.0%	4.1%	-1.45%	78,156,517	4.0%	4.1%	0.41%	-1.59%	21.75%	13.79%	N/A
Total Structured Growth	81,474,023	4.3%	4.2%	4.82%	77,428,641	4.1%	4.2%	5.46%	73,410,326	4.0%	4.2%	-10.03%	78,118,500	4.0%	4.1%	-1.45%	78,156,517	4.0%	4.1%	0.41%	-1.59%	21.75%	13.79%	11.59%
Russell 1000 Growth				3.67%				5.25%				-10.18%				-0.77%				4.21%	1.34%	19.04%	8.70%	9.28%
Structured Value																								
LSV	76,751,048	4.0%	4.2%	-0.21%	76,640,314	4.1%	4.2%	4.68%	73,195,132	4.0%	4.2%	-9.60%	83,770,455	4.3%	4.5%	-5.86%	88,328,104	4.5%	4.5%	-1.05%	-12.03%	23.29%	19.11%	16.46%
Russell 1000 Value				-0.16%				4.87%				-8.72%				-5.80%				-0.24%	-10.18%	21.87%	15.93%	13.31%
Enhanced Russell 1000 Index																								
LA Capital	66,893,991	3.5%	3.5%	2.98%	64,705,453	3.4%	3.5%	5.12%	61,545,702	3.4%	3.5%	-10.60%	73,244,779	3.8%	3.8%	-1.46%	82,026,620	4.2%	4.2%	0.07%	-4.56%	20.43%	13.31%	11.77%
Russell 1000				1.83%				5.07%				-9.48%				-3.23%				1.98%	-4.42%	20.43%	12.34%	11.33%
Enhanced S&P 500 Index																								
Northern Trust	31,410,014	1.7%	1.8%	1.22%	30,896,418	1.6%	1.8%	4.68%	29,489,152	1.6%	1.8%	-9.48%	56,365,226	2.9%	3.0%	-4.71%	74,761,578	3.8%	3.9%	0.34%	-8.31%	19.26%	11.40%	10.53%
Westridge	70,240,669	3.7%	3.9%	1.43%	68,949,266	3.7%	3.9%	5.00%	65,635,580	3.6%	3.9%	-9.14%	72,623,311	3.7%	3.9%	-3.10%	97,533,975	5.0%	3.9%	2.18%	-4.18%	21.05%	12.00%	11.00%
Wells Capital	61,015,172	3.2%	3.0%	3.02%	50,535,362	2.7%	3.0%	11.64%	45,201,142	2.5%	3.0%	-21.13%	57,291,250	3.0%	3.0%	-13.04%	65,874,490	3.4%	3.0%	4.26%	-17.75%	30.71%	N/A	N/A
European Credit Management	34,546,859	1.8%	1.8%	2.51%	31,498,361	1.7%	1.8%	9.33%	28,800,606	1.6%	1.8%	-20.15%	26,184,374	1.4%	1.4%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Prudential	37,838,488	2.0%	1.9%	6.11%	35,511,043	1.9%	1.9%	5.94%	33,520,117	1.8%	1.9%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Franklin	32,735,191	1.7%	1.8%	3.01%	31,628,514	1.7%	1.8%	4.83%	30,155,034	1.6%	1.8%	-8.11%	52,665,425	2.7%	3.0%	-4.58%	55,343,565	2.8%	3.0%	-0.71%	-6.00%	N/A	N/A	N/A
Total Enhanced S&P 500 Index	267,786,392	14.1%	14.2%	2.73%	249,018,964	13.2%	14.2%	6.90%	232,801,631	12.7%	14.2%	-13.92%	265,129,587	13.7%	14.3%	-5.87%	293,513,609	12.1%	13.8%	1.60%	-9.59%	21.56%	11.94%	11.24%
S&P 500				1.30%				4.87%				-9.44%				-3.33%				2.03%	-5.12%	20.59%	11.68%	10.71%
Absolute Return Strategy																								
Epoch	36,147,124	1.9%	1.8%	2.42%	35,208,879	1.9%	1.8%	6.55%	33,010,141	1.8%	1.8%	-5.89%	25,593,827	1.3%	1.4%	-2.48%	15,531,911	0.8%	1.4%	0.06%	0.21%	N/A	N/A	N/A
S&P 500				1.30%				4.87%				-9.44%				-3.33%				2.03%	-5.12%			
S&P 500 Index																								
State Street	39,126,974	2.1%	2.1%	2.20%	38,100,878	2.0%	2.1%	3.92%	36,641,959	2.0%	2.1%	-10.79%	36,398,430	1.9%	2.1%	-5.86%	38,229,585	1.9%	2.1%	-0.79%	-11.52%	21.86%	12.41%	11.15%
S&P 500				1.30%				4.87%				-9.44%				-3.33%				2.03%	-5.12%	20.59%	11.68%	10.71%
TOTAL LARGE CAP DOMESTIC EQUITY	568,179,552	29.9%	30.0%	2.59%	541,103,128	28.8%	30.0%	5.92%	510,604,891	27.9%	30.0%	-11.75%	562,255,578	29.0%	30.0%	-4.76%	595,786,347	30.3%	30.0%	0.70%	-8.03%	21.66%	13.61%	12.15%
S&P 500				1.30%				4.87%				-9.44%				-3.33%				2.03%	-5.12%	20.59%	11.68%	10.71%
SMALL CAP DOMESTIC EQUITY																								
Manager-of-Managers																								
SEI	122,597,825	6.4%	7.2%	4.58%	113,406,105	6.0%	7.2%	3.97%	111,319,420	6.1%	7.2%	-12.82%	127,518,299	6.6%	7.2%	-6.46%	128,886,735	6.6%	7.2%	-4.25%	-15.10%	17.13%	13.31%	14.32%
Russell 2000 + 200bp				4.76%				4.35%				-9.43%				-4.09%				-2.60%	-7.51%	18.76%	15.72%	16.16%
Callan	52,779,727	2.8%	2.8%	5.11%	50,291,087	2.7%	2.8%	4.28%	48,243,664	2.6%	2.8%	-11.51%	54,595,286	2.8%	2.8%	-4.56%	56,890,194	2.9%	2.8%	-1.14%	-8.49%	21.00%	N/A	N/A
Russell 2000				4.59%				4.19%				-9.90%				-4.58%				-3.09%	-9.20%	16.44%		
TOTAL SMALL CAP DOMESTIC EQUITY	175,377,552	9.2%	10.0%	4.74%	163,697,193	8.7%	10.0%	4.06%	159,563,084	8.7%	10.0%	-12.44%	182,113,585	9.4%	10.0%	-5.88%	185,776,929	9.5%	10.0%	-3.32%	-13.15%	17.89%	13.50%	14.44%
Russell 2000				4.59%				4.19%				-9.90%				-4.58%				-3.09%	-9.20%	16.44%	13.45%	13.88%
INTERNATIONAL EQUITY																								
Large Cap - Core																								
State Street	20,023,073	1.1%	1.0%	1.95%	19,123,413	1.0%	1.0%	4.92%	18,216,413	1.0%	1.0%	-9.35%	18,830,851	1.0%	1.0%	-4.44%	19,635,023	1.0%	1.0%	1.42%	-6.02%	27.82%	20.73%	15.09%
MSCI EAFE (1)				0.97%				5.43%				-8.91%				-1.75%				2.18%	-2.65%	27.00%	20.77%	14.70%
Large Cap - Active																								
Capital Guardian	62,239,223	3.3%	3.0%	1.01%	57,581,038	3.1%	3.0%	7.10%	53,842,611	2.9%	3.0%	-11.85%	57,921,556	3.0%	3.0%	-1.21%	59,077,593	3.0%	3.0%	-0.21%	-5.98%	26.04%	21.52%	14.83%
LSV	59,220,658	3.1%	3.0%	-0.03%	57,655,844	3.1%	3.0%	5.95%	54,418,004	3.0%	3.0%	-12.07%	53,932,402	2.8%	3.0%	-5.87%	57,089,031	2.9%	3.0%	-3.20%	-15.15%	29.94%	N/A	N/A
Bank of Ireland	-	0.0%	1.0%	N/A	12,550	0.0%	1.0%	N/A	18,235	0.0%	1.0%	-16.77%	17,375,294	0.9%	1.0%	-7.93%	18,800,725	1.0%	1.0%	-4.43%	N/A	25.29%	19.70%	13.72%
Total Large Cap - Active	121,459,881	6.4%	7.0%	0.49%	115,249,432	6.1%	7.0%	6.52%	108,278,849	5.9%	7.0%	-12.20%	129,229,251	6.7%	7.0%	-4.12%	134,967,349	6.9%	7.0%	-2.09%	-11.77%	27.58%	22.64%	15.45%
MSCI EAFE - 50% Hedged				1.26%				6.46%				-12.04%				-2.19%				0.11%	-7.16%	26.94%	22.55%	15.71%
Small Cap - Active																								
Lazard	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	5,579	0.0%	0.0%	-26.49%	18,220,097	0.9%	1.0%	-3.54%	N/A	24.18%	22.99%	21.28%
DFA	19,861,451	1.0%	1.0%	2.15%	18,934,652	1.0%	1.0%	1.65%	18,617,920	1.0%	1.0%	-3.66%	16,650,358	0.9%	1.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Wellington	20,374,370	1.1%	1.0%	1.93%	19,355,844	1.0%	1.0%	3.93%	18,614,594	1.0%	1.0%	-8.20%	18,655,878	1.0%	1.0%	-4.48%	19,441,255	1.0%	1.0%	-0.96%	-8.01%	26.62%	20.49%	21.40%
Total Small Cap - Active	40,235,820	2.1%	2.0%	2.04%	38,290,495	2.0%	2.0%	2.79%	37,232,514	2.0%	2.0%	-5.93%	35,311,816	1.8%	2.0%	-4.71%	37,661,352	1.9%	2.0%	-2.23%	-8.09%	25.39%	21.75%	21.34%
S&P/Citigroup BMI EPAC < \$2BN				2.10%				2.30%				-7.41%				-5.94%				-9.63%	28.60%	26.33%	25.39%	
TOTAL INTERNATIONAL EQUITY	181,718,774	9.6%	10.0%	1.00%	172,663,341	9.2%	10.0%	5.49%	163,727,776	9.0%	10.0%	-10.65%	183,371,918	9.5%	10.0%	-4.27%	192,263,725	9.8%	10.0%	-1.77%	-10.48%	27.21%	22.14%	16.66%
MSCI EAFE - 50% Hedged				1.26%				6.46%				-12.04%				-2.19%				0.11%	-7.16%	26.94%	22.55%	15.71%
EMERGING MARKETS EQUITY																								
Core																								
JP Morgan	15,999,870	0.8%	0.9%	1.01%	15,828,454	0.8%	0.9%	9.30%	14,472,429	0.8%	0.9%	-11.11%	20,728,286	1.1%	0.9%	5.71%	21,771,208	1.1%	0.9%	11.70%	15.87%	46.07%	N/A	N/A
PanAgora	16,195,012	0.9%	0.9%	2.57%	15,780,490	0.8%	0.9%	10.02%	14,335,190	0.8%	0.9%	-12.20%	20,227,366	1.0%	0.9%	3.21%	21,764,487	1.1%	0.9%	15.67%	18.30%	46.34%	N/A	N/A
WestLB	16,786,394	0.9%	0.9%	3.24%	16,191,150	0.9%	0.9%	8.11%	14,952,480	0.8%	0.9%	-9.78%	20,505,453	1.1%	0.9%	5.94%	21,648,976	1.1%	0.9%	14.72%	22.38%	42.11%	N/A	N/A
UBS	29,497,729	1.6%	1.5%	1.46%	29,052,038	1.5%	1.5%	9.51%	26,512,719	1.4%	1.5%	-12.86%	30,226,171	1.6%	1.5%	5.27%	38,016,766	1.9%	1.5%	14.81%	17.00%	42.04%	N/A	N/A
Total Core	78,479,005	4.1%	4.1%	1.97%	76,852,133	4.1%	4.1%	9.27%	70,272,818	3.8%	4.1%	-11.60%	91,687,277	4.7%	4.1%	5.07%	103,201,437	5.3%	4.1%	14.30%	18.30%	43.90%	37.74%	29.07%
MSCI Emerging Markets				1.88%				8.13%				-10.92%				3.66%				14.52%	16.49%	45.45%	38.67%	21.67%
Small Cap																								
DFA	16,622,083	0.9%	1.0%	-0.70%	16,728,320	0.9%	1.0%	6.06%	15,764,011	0.9%	1.0%	-13.83%	20,105,406	1.0%	1.0%	0.03%	22,865,426	1.2%	1.0%	7.38%	-2.53%	68.14%	N/A	N/A
MSCI Emerging Markets				1.88%				8.13%				-10.92%				3.66%				14.52%	16.49%	45.45%		
Private Equity																								
Capital International	4,912,202	0.3%	0.3%	0.00%	4,593,405	0.2%	0.2%	0.00%	4,593,405	0.3%	0.3%	-5.38%	2,233,817	0.1%	0.1%	-5.35%	863,801	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
MSCI Emerging Markets																								
TOTAL EMERGING MARKETS EQUITY	100,013,290	5.3%	5.0%	1.42%	98,173,858	5.2%	5.0%	8.24%	90,630,234	5.0%	5.0%	-11.84%	114,026,499	5.9%	5.0%	4.12%	126,930,664	6.5%	5.0%	12.76%	13.63%	48.23%	38.70%	29.61%
MSCI Emerging Markets				1.88%				8.13%				-10.92%				3.66%				14.52%	16.49%	45.45%	38.67%	30.66%

ND PUBLIC EMPLOYEES RETIREMENT SYSTEM
INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2008

	May-08				April-08				March-08				December-07				September-07				Current Fiscal YTD	Prior Year FY07	3 Years Ended 6/30/2007	5 Years Ended 6/30/2007
	Market Value	Allocation	Month	Net ROR	Market Value	Allocation	Month	Net ROR	Market Value	Allocation	Quarter	Net ROR	Market Value	Allocation	Quarter	Net ROR	Market Value	Allocation	Quarter	Net ROR	Net ROR	Net ROR	Net ROR	Net ROR
DOMESTIC FIXED INCOME																								
Core Bond																								
Western Asset	35,080,192	1.8%	2.0%	-0.68%	42,907,748	2.3%	2.1%	0.70%	42,832,404	2.3%	1.9%	-1.65%	46,677,796	2.4%	2.1%	0.80%	51,993,342	2.6%	2.6%	2.08%	1.22%	7.00%	4.29%	5.59%
<i>Lehman Aggregate</i>				-0.73%				-0.21%				2.17%				3.00%				2.84%	7.21%	6.12%	3.98%	4.48%
Index																								
Bank of ND	59,262,139	3.1%	3.2%	-1.20%	59,760,961	3.2%	3.2%	-0.80%	68,919,279	3.8%	3.2%	2.71%	95,796,111	4.9%	6.0%	3.34%	93,523,911	4.8%	6.0%	3.15%	7.32%	5.69%	3.78%	4.49%
Total Index	59,262,139	3.1%	3.2%	-1.20%	59,760,961	3.2%	3.2%	-0.80%	68,919,279	3.8%	3.2%	2.71%	95,796,111	4.9%	6.0%	3.34%	93,523,911	4.8%	6.0%	3.15%	7.32%	5.69%	3.92%	4.50%
<i>Lehman Gov/Credit</i>				-1.03%				-0.59%				2.53%				3.10%				3.01%	7.13%	6.00%	3.84%	4.69%
Enhanced																								
Westridge	31,277,012	1.6%	1.6%	-0.72%	31,396,737	1.7%	1.6%	-1.24%	31,974,377	1.7%	1.6%		-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
<i>Lehman Aggregate</i>																								
Convertibles																								
Calamos (2)	37,966,506	2.0%	2.0%	1.77%	42,838,346	2.3%	2.1%	4.67%	41,145,355	2.2%	1.9%	-7.39%	45,643,271	2.4%	2.1%	-0.03%	55,288,986	2.8%	2.6%	3.50%	2.07%	N/A	N/A	N/A
Total Convertibles	37,966,506	2.0%	2.0%	1.77%	42,838,346	2.3%	2.1%	4.67%	41,145,355	2.2%	1.9%	-7.39%	45,643,271	2.4%	2.1%	-0.03%	55,288,986	2.8%	2.6%	3.50%	2.07%	12.55%	5.57%	3.31%
<i>Merrill Lynch All Convertibles (3)</i>				1.38%				5.19%				-5.61%				-3.25%				1.01%	-1.62%	15.38%	8.30%	10.89%
BBB Average Quality																								
Wells Capital	43,909,123	2.3%	2.0%	-0.92%	44,176,888	2.3%	2.1%	0.55%	47,126,536	2.6%	1.9%	0.49%	46,777,791	2.4%	2.1%	1.86%	51,594,550	2.6%	2.6%	1.91%	3.93%	9.12%	5.96%	6.71%
<i>Lehman BBB</i>				-0.64%				1.30%				-1.05%				1.90%				1.67%	3.18%	7.54%	4.47%	6.43%
Private Debt																								
Prudential	34,615,382	1.8%	2.0%	-1.12%	43,269,330	2.3%	2.1%	-0.98%	43,938,428	2.4%	1.9%	0.79%	48,731,225	2.5%	2.1%	1.97%	49,717,797	2.5%	2.6%	1.88%	2.52%	7.16%	N/A	N/A
<i>Lehman Aggregate</i>				-0.73%				-0.21%				2.17%				3.00%				2.84%	7.21%	6.12%		
Timberland																								
TIR - Teredo (4)	44,530,115	2.3%	2.3%	-0.06%	44,377,798	2.4%	2.4%	0.93%	44,779,192	2.4%	2.4%	4.99%	44,131,287	2.3%	2.3%	14.92%	40,309,999	2.1%	2.1%	-0.17%	21.50%	26.95%	12.73%	12.23%
TIR - Springbank	98,940,442	5.2%	5.2%	-0.02%	98,619,903	5.2%	5.2%	-0.09%	99,915,985	5.5%	5.5%	19.20%	84,023,813	4.3%	4.3%	-0.46%	85,328,633	4.3%	4.3%	-0.07%	18.42%	26.90%	N/A	N/A
Total Timberland	143,470,556	7.5%	7.5%	-0.03%	142,997,701	7.6%	7.6%	0.22%	144,695,177	7.9%	7.9%	14.31%	128,155,100	6.6%	6.6%	4.47%	125,638,632	6.4%	6.4%	-0.11%	19.52%	27.33%	26.21%	20.09%
<i>NCREIF Timberland Index</i>				1.48%				1.48%				4.50%				9.38%				3.90%	22.30%	11.89%	15.17%	11.37%
Infrastructure																								
JP Morgan	67,526,480	3.6%	3.6%	-0.17%	63,448,920	3.4%	3.4%	-0.17%	63,813,941	3.5%	3.5%	6.42%	59,948,626	3.1%	3.1%	0.18%	21,117,739	1.1%	1.1%	-0.69%	5.52%	N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	453,107,391	23.8%	24.0%	-0.32%	470,796,632	25.0%	24.0%	0.27%	484,445,498	26.5%	24.0%	4.67%	471,729,920	24.3%	24.0%	2.38%	448,874,956	22.8%	24.0%	1.68%	8.91%	12.52%	11.43%	10.17%
<i>Lehman Aggregate</i>				-0.73%				-0.21%				2.17%				3.00%				2.84%	7.21%	6.12%	3.98%	4.48%
HIGH YIELD BONDS																								
Core																								
Loomis Sayles	47,811,327	2.5%	2.1%	1.05%	47,179,044	2.5%	2.1%	4.13%	45,348,383	2.5%	2.2%	-3.55%	47,017,513	2.4%	2.3%	-0.92%	46,972,795	2.4%	2.4%	0.37%	0.92%	13.37%	11.25%	N/A
Sutter/Wells Capital	41,110,167	2.2%	2.1%	0.21%	40,751,200	2.2%	2.1%	4.04%	37,689,736	2.1%	2.2%	-10.41%	41,783,739	2.2%	2.3%	0.30%	43,852,880	2.2%	2.4%	-3.19%	-9.31%	9.82%	8.02%	N/A
Total Core	88,921,494	4.7%	4.2%	0.66%	87,930,244	4.7%	4.3%	4.09%	83,038,119	4.5%	4.4%	-6.78%	88,801,252	4.6%	4.6%	-0.33%	90,825,674	4.6%	4.7%	-1.39%	-4.00%	11.59%	9.63%	5.67%
<i>LB High Yield 2% Issuer Constrained Index</i>				0.40%				4.11%				-2.97%				-1.07%				0.40%	0.74%	11.22%	8.70%	N/A
Mezzanine Debt																								
Goldman Sachs 2006 Fund	2,581,346	0.1%	0.1%	-0.14%	2,578,857	0.1%	0.1%	-0.14%	2,374,298	0.1%	0.1%	-1.13%	2,127,102	0.1%	0.1%	1.03%	2,102,638	0.1%	0.1%	-1.07%	-1.46%	7.39%	N/A	N/A
Goldman Sachs Fund V	1,711,685	0.1%	0.1%	0.00%	1,710,035	0.1%	0.1%	0.00%	1,710,035	0.1%	0.1%	-0.48%	1,718,297	0.1%	0.1%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
TCW	3,766,489	0.2%	0.2%	0.52%	3,823,756	0.2%	0.2%	0.50%	2,605,125	0.1%	0.1%	0.21%	3,529,577	0.2%	0.2%	0.54%	3,225,476	0.2%	0.2%	-2.96%	-1.23%	N/A	N/A	N/A
Total Mezzanine Debt	8,059,519	0.4%	0.4%	0.20%	8,112,648	0.4%	0.4%	0.14%	6,689,458	0.4%	0.4%	-0.45%	7,374,976	0.4%	0.4%	0.63%	5,328,114	0.3%	0.3%	-1.72%	-1.21%	7.39%	N/A	N/A
<i>LB High Yield 2% Issuer Constrained Index</i>				0.40%				4.11%				-2.97%				-1.07%				0.40%	0.74%	11.22%		
Distressed Mortgages																								
PIMCO	5,292,887	0.3%	0.3%	0.00%	5,287,785	0.3%	0.3%	0.00%	4,130,263	0.2%	0.2%	2.41%	1,227,355	0.1%	0.1%	0.00%	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Declaration Management	1,535,674	0.1%	0.1%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Total Distressed Mortgages	6,828,561	0.4%	0.4%	0.00%	5,287,785	0.3%	0.3%	0.00%	4,130,263	0.2%	0.2%	2.41%	1,227,355	0.1%	0.1%	0.00%	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
<i>LB High Yield 2% Issuer Constrained Index</i>				0.40%				4.11%				-2.97%				-1.07%				0.40%	0.74%	11.22%		
TOTAL HIGH YIELD BONDS	103,809,574	5.5%	5.0%	0.59%	101,330,676	5.4%	5.0%	3.63%	93,857,840	5.1%	5.0%	-6.15%	97,403,582	5.0%	5.0%	-0.19%	96,153,788	4.9%	5.0%	-1.35%	-3.68%	11.62%	9.64%	11.24%
<i>LB High Yield 2% Issuer Constrained Index</i>				0.40%				4.11%				-2.97%				-1.07%				0.40%	0.74%	11.22%	8.77%	11.75%
INTERNATIONAL FIXED INCOME																								
International Sovereign																								
UBS Global (Brinson)	44,204,400	2.3%	2.5%	-1.52%	48,907,441	2.6%	2.5%	-2.83%	50,313,729	2.8%	2.5%	10.25%	45,420,653	2.3%	2.5%	3.31%	44,305,640	2.3%	2.5%	7.48%	17.17%	0.21%	2.69%	6.66%
<i>Citigroup Non-US Gov't Bond Index (5)</i>				-1.53%				-3.59%				10.93%				3.91%				8.10%	18.30%	2.22%	3.23%	6.89%
International Core																								
Brandywine	47,126,864	2.5%	2.5%	0.09%	49,234,385	2.6%	2.5%	1.21%	48,607,610	2.7%	2.5%	1.87%	47,494,694	2.5%	2.5%	2.60%	45,943,422	2.3%	2.5%	5.77%	11.98%	6.63%	7.38%	N/A
<i>Lehman Global Aggregate (ex-US)</i>				-1.29%				-2.87%				9.32%				3.38%				7.35%	16.33%	3.78%	5.22%	N/A
TOTAL INTERNATIONAL FIXED INCOME	91,331,264	4.8%	5.0%	-0.71%	98,141,826	5.2%	5.0%	-0.84%	98,921,339	5.4%	5.0%	5.97%	92,915,347	4.8%	5.0%	2.95%	90,249,063	4.6%	5.0%	6.60%	14.50%	3.41%	5.03%	8.23%
<i>Citigroup Non-US Gov't Bond Index (5)</i>				-1.53%				-3.59%				10.93%				3.91%				8.10%	18.30%	2.22%	3.23%	6.92%
REAL ESTATE																								
INVERSCO - Core	51,195,682			-0.04%	51,195,682			-0.04%	51,548,313			1.19%	52,356,996			2.01%	51,589,416			2.96%	6.20%	14.44%	20.09%	14.86%
INVERSCO - Fund II	1,152,805			0.00%	1,319,084			-11.08%	1,483,492			-14.90%	1,718,504			N/A	-			N/A	N/A	N/A	N/A	N/A
J.P. Morgan Strategic & Special Funds	54,649,247			0.21%	54,486,104			0.58%	54,744,782			-1.55%	54,336,275			2.21%	53,427,479			3.89%	5.37%	19.72%	20.09%	15.71%
J.P. Morgan Alternative Property Fund	12,559,142			-0.10%	12,559,142			-0.10%	12,555,050			0.08%	12,376,422			0.20%	12,210,061			0.83%	0.92%	6.70%	N/A	N/A
J.P. Morgan Greater China Property Fund	850,104			0.00%	850,104			0.00%	850,104</															

ND PUBLIC EMPLOYEES RETIREMENT SYSTEM
INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2008

	May-08				April-08				March-08				December-07				September-07				Current	Prior Year	3 Years	5 Years
	Allocation		Month		Allocation		Month		Allocation		Quarter		Allocation		Quarter		Allocation		Quarter		Fiscal YTD	FY07	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	6/30/2007	6/30/2007
ALTERNATIVE INVESTMENTS																								
Brinson IVCF II	5,751			0.00%	5,751			0.00%	5,751			0.00%	95,751			19.90%	79,860			0.00%	19.90%	31.73%	17.69%	12.50%
Coral Partners II	69,895			0.00%	69,895			0.00%	69,778			-30.27%	100,077			0.09%	99,987			0.15%	-30.10%	-0.22%	1.54%	5.72%
Coral Partners V	3,282,031			0.00%	3,282,031			0.00%	3,666,254			-1.62%	3,726,637			-1.64%	3,314,698			-1.25%	-4.44%	-1.78%	-4.71%	-14.30%
Coral Partners V - Supplemental	442,328			0.00%	442,328			0.00%	441,414			-0.99%	445,838			-5.29%	473,983			-0.33%	-6.54%	8.49%	3.75%	0.86%
Coral Momentum Fund (Formerly Fund VI)	7,381,368			0.00%	7,381,367			0.00%	8,115,668			-9.16%	8,934,231			-4.08%	9,378,687			43.80%	25.30%	-16.26%	-8.10%	N/A
Brinson 1998 Partnership Fund	544,061			0.00%	544,061			0.00%	544,061			2.44%	845,082			7.53%	821,163			6.31%	17.10%	31.02%	22.24%	11.25%
Brinson 1999 Partnership Fund	1,509,987			0.00%	1,729,671			0.00%	1,729,671			2.93%	1,680,514			1.84%	2,131,718			8.83%	14.08%	19.95%	14.43%	7.53%
Brinson 2000 Partnership Fund	5,107,264			0.00%	5,107,264			0.00%	5,107,264			5.90%	6,240,627			3.81%	6,053,208			12.46%	23.63%	13.52%	18.72%	9.86%
Brinson 2001 Partnership Fund	4,330,433			0.00%	4,655,805			0.00%	4,655,805			2.78%	4,530,058			-5.15%	4,809,348			7.25%	4.55%	15.81%	13.02%	7.67%
Brinson 2002 Partnership Fund	2,297,031			0.00%	2,297,031			0.00%	2,297,031			-2.77%	2,362,397			-1.75%	2,717,460			7.77%	2.95%	11.10%	12.11%	11.95%
Brinson 2003 Partnership Fund	797,771			0.00%	797,771			0.00%	780,851			-5.49%	887,676			5.07%	850,682			-2.14%	-2.83%	34.38%	19.70%	N/A
Total Brinson Partnership Funds	14,586,547			0.00%	15,131,604			0.00%	15,114,684			2.42%	16,546,355			2.77%	17,383,580			8.74%	14.45%	16.34%	16.34%	10.08%
Brinson 1999 Non-US Partnership Fund	715,286			0.00%	715,286			0.00%	715,286			7.30%	806,566			-0.20%	813,786			-15.34%	-9.34%	111.26%	57.67%	39.95%
Brinson 2000 Non-US Partnership Fund	1,754,395			0.00%	1,754,395			0.00%	1,754,395			13.94%	2,208,191			3.76%	2,142,840			9.22%	29.12%	55.10%	34.26%	25.05%
Brinson 2001 Non-US Partnership Fund	1,104,726			0.00%	1,104,726			0.00%	1,253,023			-5.09%	1,468,475			4.45%	1,684,440			8.40%	7.46%	7.81%	14.42%	11.71%
Brinson 2002 Non-US Partnership Fund	2,972,816			0.00%	2,972,816			0.00%	2,972,816			-5.07%	3,258,815			4.69%	3,374,692			9.52%	8.84%	88.98%	43.24%	29.72%
Brinson 2003 Non-US Partnership Fund	2,683,442			0.00%	2,683,442			0.00%	2,683,442			15.64%	2,906,341			8.33%	2,701,365			5.76%	32.49%	76.59%	33.38%	N/A
Brinson 2004 Non-US Partnership Fund	1,188,128			0.00%	1,151,486			0.00%	1,151,486			12.84%	1,167,005			3.79%	1,132,201			7.85%	26.31%	23.98%	15.75%	N/A
Total Brinson Non-US Partnership Fund	10,418,792			0.00%	10,382,150			0.00%	10,530,447			5.31%	11,815,392			4.91%	11,849,325			6.06%	17.18%	62.33%	35.68%	25.84%
Adams Street 2008 Non-US Partnership Fd	107,522			0.00%	80,641			0.00%	80,641			N/A	-			N/A	-			N/A	N/A	N/A	N/A	N/A
Brinson BVCF IV	7,474,420			0.00%	10,111,214			0.00%	10,111,214			15.47%	8,990,158			4.45%	8,668,614			9.99%	32.65%	-3.23%	10.47%	6.87%
Adams Street Direct Co-investment Fund	7,858,804			0.00%	7,858,804			0.00%	7,842,228			0.00%	7,206,893			5.57%	4,636,303			-0.11%	5.45%	N/A	N/A	N/A
Matlin Patterson Global Opportunities	3,829,421			0.00%	4,393,325			0.00%	4,393,325			0.47%	3,817,834			76.23%	2,181,492			-60.15%	-29.44%	10.95%	25.72%	N/A
Matlin Patterson Global Opportunities II	16,251,433			0.00%	16,869,681			0.00%	16,869,681			-2.10%	16,865,311			-0.54%	15,601,686			0.61%	-2.03%	37.09%	N/A	N/A
Matlin Patterson Global Opportunities III	6,582,040			0.00%	5,595,031			0.00%	3,835,583			-2.39%	1,774,581			-2.74%	1,837,223			-15.88%	-20.14%	N/A	N/A	N/A
InvestAmerica	3,019,837			0.00%	3,019,837			0.00%	3,019,837			-15.93%	3,592,017			0.00%	3,616,949			18.49%	-0.39%	13.96%	-2.58%	-5.68%
Hearthstone MSII	90,451			0.00%	90,451			0.00%	110,096			0.00%	36,699			0.27%	0			0.00%	0.27%	-95.85%	-100.00%	-100.00%
Hearthstone MSIII	1,219,158			0.00%	1,219,158			0.00%	1,219,158			24.63%	1,272,032			1.16%	1,721,773			18.89%	49.89%	208.65%	79.05%	N/A
Corsair III	7,577,420			0.00%	7,872,665			0.00%	5,059,573			-3.42%	4,784,061			-1.20%	1,785,265			14.87%	9.61%	N/A	N/A	N/A
Corsair III - ND Investors LLC	1,221,838			N/A	1,221,838			N/A	1,221,838			N/A	-			N/A	-			N/A	N/A	N/A	N/A	N/A
Quantum Resources	1,309,059			0.00%	1,749,265			0.00%	2,058,328			0.00%	2,058,334			-4.10%	1,777,508			-8.56%	-12.31%	N/A	N/A	N/A
Quantum Energy Partners	1,228,309			0.00%	1,228,309			0.00%	936,157			0.00%	936,160			4.30%	903,807			-17.70%	-14.16%	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (6)	93,956,425	4.9%	5.0%	0.00%	98,005,345	5.2%	5.0%	0.00%	94,701,656	5.2%	5.0%	0.59%	92,998,362	4.8%	5.0%	2.49%	85,310,740	4.3%	5.0%	3.37%	6.56%	16.83%	15.02%	7.25%
CASH EQUIVALENTS																								
Northern Trust STIF/STEP	13,955,951	0.7%	1.0%	0.80%	17,001,727	0.9%	1.0%	0.21%	11,146,715	0.6%	1.0%	-1.37%	20,142,525	1.0%	1.0%	0.38%	26,823,346	1.4%	1.0%	0.68%	0.69%	5.25%	3.91%	3.00%
90 Day T-Bill				0.03%				0.11%				0.88%				1.05%				1.34%	3.45%	5.21%	3.78%	2.76%
TOTAL FUND	1,901,856,754	100.0%	100.0%	1.25%	1,881,323,842	100.0%	100.0%	3.13%	1,828,780,774	100.0%	100.0%	-5.18%	1,937,745,513	100.0%	100.0%	-1.21%	1,965,396,514	100.0%	100.0%	1.36%	-0.86%	18.95%	14.97%	13.33%
POLICY TARGET BENCHMARK				0.86%				2.94%				-4.60%				-0.30%				2.55%	1.26%	16.45%	12.29%	11.20%

NOTE: Monthly returns and market values are preliminary and subject to change.

- (1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.
- (2) TCW was terminated on September 22, 2006. The portfolio was transferred to Calamos on October 5, 2006.
- (3) Prior to January 1, 2005, the benchmark was the First Boston Convertible Index.
- (4) Prior to June 1, 2006, the Toredos properties were under the management of RMK.
- (5) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.
- (6) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.